COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

FISCAL NOTE

<u>L.R. No.</u>: 5129-01 <u>Bill No.</u>: SB 808

Subject: Elections; Federal - State Relations; Public Officers; Secretary of State

Type: Original

Date: February 24, 2012

Bill Summary: This proposal implements recall elections for US Senators.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2013	FY 2014	FY 2015	
General Revenue	\$0 or (More than \$7,041,622)	\$0 or (More than \$7,041,622)	\$0 or (More than \$7,041,622)	
Total Estimated				
Net Effect on General Revenue Fund	\$0 or (More than \$7,041,622)	\$0 or (More than \$7,041,622)	\$0 or (More than \$7,041,622)	

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2013	FY 2014	FY 2015	
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0	

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

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ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2013	FY 2014	FY 2015	
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2013	FY 2014	FY 2015	
Total Estimated Net Effect on FTE	0	0	0	

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- □ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS				
FUND AFFECTED	FY 2013	FY 2014	FY 2015	
Local Government	\$0	\$0	\$0	

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FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of the Secretary of State (SOS)** assume this proposal would allow for a petition to be filed for the recall of any incumbent U.S. Senator after they have been in office for one year. The petition would require voter signatures equal to at least eight percent of the votes cast for the office in the last election in each of three-fourths of the congressional districts. Based on the 2010 election cycle this could cost SOS up to \$41,622 per petition filed to check and verify signatures. Costs could be higher as it is not specified in the bill how much time is allowed for the SOS and local election authorities to check and verify signatures. If the number of signatures required is met then an recall election will be held at the next date available for elections. This could require the state to hold a special election at cost of \$7 million dollars.

Oversight assumes that if this recall petition is voted on during a regularly scheduled election then the state would not have a cost from this proposal. Oversight assumes that should the recall petition be voted on during a special election then the state would have to pay the cost of the special election. Therefore Oversight will show the impact of this proposal as \$0 (no election needed) to the cost of an election.

Oversight has reflected in this fiscal note, the state potentially reimbursing local political subdivisions the cost of having this recall petition voted on during a special election in each fiscal year. This reflects the decision made by the Joint Committee on Legislative Research, that the cost of the elections should be shown in the fiscal note. The next scheduled general election is in August 2012 (FY 2013). It is assumed the subject within this proposal could be on that ballot; however, it could also be on a special election called for by the Governor. Therefore, Oversight will reflect a potential election cost reimbursement to local political subdivisions in each fiscal year.

To estimate the expense the state would incur for reimbursing local political subdivisions for a special election, Oversight requested expense estimates from all election authorities for an election. Eighty-six out of the one hundred fifteen election authorities responded to Oversight's request. From these respondents; the total election expense that would have to be reimbursed by the state government is over \$7 million. Therefore, Oversight will reflect a potential cost borne by the state in each year of over \$7 million for reimbursement to the local political subdivisions.

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FISCAL IMPACT - State Government GENERAL REVENUE	FY 2013 (10 Mo.)	FY 2014	FY 2015
<u>Transfer Out</u> - Secretary of State reimbursement of local political subdivisions for special election costs	\$0 or (More than \$7,000,000)	\$0 or (More than \$7,000,000)	\$0 or (More than \$7,000,000)
Expense - Secretary of State recall petition signature verification	\$0 or (\$41,622)	\$0 or (\$41,622)	\$0 or (\$41,622)
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	\$0 or (More than <u>\$7,041,622)</u>	\$0 or (More than \$7,041,622)	\$0 or (More than \$7,041,622)
FISCAL IMPACT - Local Government LOCAL ELECTION AUTHORITIES	FY 2013 (10 Mo.)	FY 2014	FY 2015
<u>Transfer In</u> - Local Election Authority cost reimbursement from the State for special election	\$0 or More than \$7,000,000	\$0 or More than \$7,000,000	\$0 or More than \$7,000,000
Expense - cost for special election	\$0 or (More than \$7,000,000)	\$0 or (More than \$7,000,000)	\$0 or (More than \$7,000,000)
ESTIMATED NET EFFECT TO LOCAL ELECTION AUTHORITIES	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

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FISCAL DESCRIPTION

This act authorizes legal voters to petition for a recall election for United States senators. Petitions shall be signed by at least 8% of voters in each of 3/4 of the congressional districts, the total number of voters being based on the number of votes cast for the incumbent at the last preceding election in which he or she was elected.

If an election is held, opposing candidates are then nominated as if in an election to fill a vacancy and the incumbent shall continue to serve until the election results are declared. The election shall be held on the next day available for holding public elections that occurs at least 10 weeks after the Secretary of State verifies the petition. Senators are only subject to one recall per term.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the Secretary of State

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Director

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